

Fill in this information to identify the case:

Debtor Name JOHN McDONNELL McPHERSON
 United States Bankruptcy Court for the: BALTIMORE District of MD
 (State)
 Case number: 21-10205 MMH

Official Form 426

**Periodic Report Regarding Value, Operations, and Profitability of Entities
 in Which the Debtor's Estate Holds a Substantial or Controlling Interest**

12/17

This is the *Periodic Report* as of 12/31/20 on the value, operations, and profitability of those entities in which a Debtor holds, or two or more Debtors collectively hold, a substantial or controlling interest (a "Controlled Non-Debtor Entity"), as required by Bankruptcy Rule 2015.3. For purposes of this form, "Debtor" shall include the estate of such Debtor.

[Name of Debtor] holds a substantial or controlling interest in the following entities:

Name of Controlled Non-Debtor Entity	Interest of the Debtor	Tab #
MIHALY McPHERSON SIGNORIELLI LLC	50%	

This *Periodic Report* contains separate reports (*Entity Reports*) on the value, operations, and profitability of each Controlled Non-Debtor Entity.

Each *Entity Report* consists of five exhibits.

Exhibit A contains the most recently available: balance sheet, statement of income (*loss*), statement of cash flows, and a statement of changes in shareholders' or partners' equity (*deficit*) for the period covered by the *Entity Report*, along with summarized footnotes.

Exhibit B describes the Controlled Non-Debtor Entity's business operations.

Exhibit C describes claims between the Controlled Non-Debtor Entity and any other Controlled Non-Debtor Entity.

Exhibit D describes how federal, state or local taxes, and any tax attributes, refunds, or other benefits, have been allocated between or among the Controlled Non-Debtor Entity and any Debtor or any other Controlled Non-Debtor Entity and includes a copy of each tax sharing or tax allocation agreement to which the Controlled Non-Debtor Entity is a party with any other Controlled Non-Debtor Entity.

Exhibit E describes any payment, by the Controlled Non-Debtor Entity, of any claims, administrative expenses or professional fees that have been or could be asserted against any Debtor, or the incurrence of any obligation to make such payments, together with the reason for the entity's payment thereof or incurrence of any obligation with respect thereto.

This *Periodic Report* must be signed by a representative of the trustee or debtor in possession.

Debtor Name

John McDonnell McPitman

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The undersigned, having reviewed the *Entity Reports* for each Controlled Non-Debtor Entity, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that to the best of his or her knowledge, (i) this *Periodic Report* and the attached *Entity Reports* are complete, accurate, and truthful to the best of his or her knowledge, and (ii) the Debtor did not cause the creation of any entity with actual deliberate intent to evade the requirements of Bankruptcy Rule 2015.3

For non-individual
Debtors:

☒

Signature of Authorized Individual

Printed name of Authorized Individual

Date

MM / DD / YYYY

For individual Debtors:

☒

Signature of Debtor 1

Printed name of Debtor 1

Date

MM / DD / YYYY

☒

Signature of Debtor 2

Printed name of Debtor 2

Date

MM / DD / YYYY

Debtor Name JOHN McDONNELL McPHERSON

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Exhibit A: Financial Statements for [Name of Controlled Non-Debtor Entity]

MIHALY McPHERSON SIGNORELLI LLC

Debtor Name JOHN McDONNELL McPHERSONCase number 21-10205 MMH**Exhibit A-1: Balance Sheet for [Name of Controlled Non-Debtor Entity] as of [date]**

[Provide a balance sheet dated as of the end of the most recent 3-month period of the current fiscal year and as of the end of the preceding fiscal year.]

Describe the source of this information.]

Mihaly, McPherson, Signorelli LLC (d/b/a MMS Advisors)				
Balance Sheet				
<i>Information provided by MMS Advisors which was compiled from MMS Advisors' Bank Records</i>				
<i>MMS Advisors uses cash basis accounting method for financial reporting and tax compliance</i>				
		12/31/20	12/31/19	
Assets				
Cash		163,856.37	25,687.28	
Building and Other Depreciable		17,528.16	17,528.16	
Accumulated Depreciation		(17,528.16)	(17,528.16)	
Total Assets		167,716.87	29,547.78	
Liabilities				
Loans from 3rd Parties				
Danny Mendelson		150,000.00	25,000.00	
Kim Hinkle (Net)		64,970.00	64,970.00	
Equity				
McPherson Capital Account		8,203.00	8,203.00	
Mihaly Capital Account		8,203.00	8,203.00	
Retained Earnings		(76,828.22)	(43,932.75)	
Net Income		13,169.09	(32,895.47)	
Total Liability and Equity		167,716.87	29,547.78	

Debtor Name JOHN McDONNELL McPHERSONCase number 21-10205 MMH**Exhibit A-2: Statement of Income (Loss) for [Name of Controlled Non-Debtor Entity] for period ending [date]**

[Provide a statement of income (loss) for the following periods:

(i) For the initial report:

- a. the period between the end of the preceding fiscal year and the end of the most recent 3-month period of the current fiscal year; and
- b. the prior fiscal year.

Mihaly, McPherson, Signorelli LLC (d/b/a MMS Advisors)				
Income Statement				
<i>Information provided by MMS Advisors which was compiled from MMS Advisors' Bank Records</i>				
<i>MMS Advisors uses cash basis accounting method for financial reporting and tax compliance</i>				
		12 months		12 months
		12/31/20		12/31/19
Revenues	614,100.00	Revenues	2,384,154.99	
Subcontract Costs	150,000.00	Subcontractor Costs	981,487.60	
Partner Draws		Partner Draws		
J. McPherson Draw	126,759.87	J. McPherson Draw	1,005,585.00	
G. Mihaly Draw	24,763.34	G. Mihaly Draw	343,426.91	
Rent	45,030.96	Rent	27,094.91	
Accounting Sys	62.00	Accounting	1,823.75	
Insurance	3,773.95	Insurance	7,508.88	
Meals	4,568.91	Meals	6,484.99	
Phone	1,680.00	Phone/WiFi/Cell	4,080.00	
Office Supplies	1,310.73	Office Expense	5,912.63	
Travel	1,614.32	Travel	21,289.81	
IT Services	4,954.36	IT Services	11,491.86	
Donation	265.00	Development	864.12	
Data	350.00			
Legal Expense	232,985.50			
Bank Fees	651.97			
Car Insurance	1,800.00			
WiFi	360.00			
Total Expenses	600,930.91	Total Expenses	2,417,050.46	
Net Income (Loss)	13,169.09	Net Income (Loss)	(32,895.47)	

Case number:

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[Describe the nature and extent of the Debtor's interest in the Controlled Non-Debtor Entity.]

Describe the business conducted and intended to be conducted by the Controlled Non-Debtor Entity, focusing on the entity's dominant business segments.

Describe the source of this information.]

Mihaly, McPherson, Signorelli LLC (d/b/a MMS Advisors)*The following information is provided by MMS Advisors***John McDonnell McPherson is 50% owner (LLC Member) of MMS Advisors.****MMS Advisors is a consulting firm providing forensic accounting and surety support services. It plans to continue providing these services.**

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Exhibit C: Description of Intercompany Claims

[List and describe the Controlled Non-Debtor Entity's claims against any other Controlled Non-Debtor Entity, together with the basis for such claims and whether each claim is contingent, unliquidated or disputed.

Describe the source of this information.]

N/A

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Exhibit D: Allocation of Tax Liabilities and Assets

[Describe how income, losses, tax payments, tax refunds, or other tax attributes relating to federal, state, or local taxes have been allocated between or among the Controlled Non-Debtor Entity and one or more other Controlled Non-Debtor Entities.

Include a copy of each tax sharing or tax allocation agreement to which the entity is a party with any other Controlled Non-Debtor Entity.

Describe the source of this information.]

N/A

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Exhibit E: Description of Controlled Non-Debtor Entity's payments of Administrative Expenses, or Professional Fees otherwise payable by a Debtor

[Describe any payment made, or obligations incurred (or claims purchased), by the Controlled Non-Debtor Entity in connection with any claims, administrative expenses, or professional fees that have been or could be asserted against any Debtor.

Describe the source of this information.]

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Describe the source of this information.]

PAYMENTS OF RETAINER TO ATTORNEYS FOR CH 11 PROFESSIONAL FEES.